



Attachment: Two-Year Homelessness Prevention Proposal (2023 – 2024)

Background

In 2021, the Dakota County Board reconvened the Housing Leadership Workgroup, made up of various County and community stakeholders, to make recommendations on future housing plans. During a Board Workshop in October 2021, the Housing Leadership Workgroup recommended investments in three main areas: emergency shelter, homelessness prevention, and affordable housing. Each of these interventions are dependent on the other. Staff recommended a smaller footprint for the single adult shelter with an emphasis on the importance of prevention and affordable housing as essential strategies to reduce the overall need for emergency shelter. To that end, Social Services staff proposed a specific set of homelessness prevention activities to the Board of Commissioners on July 12, 2022. This attachment describes a refined proposed plan for prevention services and funding for 2023 and 2024.

Summary of Prevention Recommendations

Social Services recommends continuation or expansion in three prevention programs as part of Housing Business Plan 2.0: 1) Housing Clinic at Eviction Court, 2) Emergency rental assistance, and 3) Flexible prevention services. These programs are briefly described below, along with the proposed scope of services in each area.

- Housing Clinic
 - Activity: Contracted case workers and attorneys to support people after an eviction filing. Proposal also includes funding to support a Housing Clinic Evaluation.
 - # to Serve: Up to 1,500 Dakota County households facing eviction in each of 2023 and 2024.
- Emergency Rental Assistance
 - Activity: Rent and utility assistance, and social workers to support people who are behind on rent payments.
 - # to Serve: Up to 720 Dakota County households with back due rent in 2023, with a scaled back program serving up to 240 in 2024. NOTE: The Board may later decide to continue a larger Emergency Rental Assistance program in 2024 if heightened need continues and funding is available.
- Flexible Prevention Services
 - Activity: Social workers, plus contracted services to provide flexible services to people facing housing instability throughout Dakota County.
 - # to Serve: Up to 840 Dakota County households in 2023, and up to 1,680 in 2024. This assumes planning period with launch of program in July 2023.

Proposed Funding Plan and Scenarios

Various funding streams are available to support continuation of homelessness prevention programs in 2023 and 2024. For example, the Local Homeless Prevention Aid, a new annual allocation to prevent homelessness for youth and families, will offset costs for programs serving that specific population. Dakota County also has remaining federal Emergency Rental Assistance funds that can be used for many of these activities. Dakota County also plans to apply for an upcoming state grant to further offset costs of this proposal. Below is a summary of available and anticipated funding sources for 2023 and 2024.

- State Local Homeless Prevention Aid: Approximately \$886,000 available annually starting in July 2023 (through 2028)
- Federal Emergency Rental Assistance funds: Estimated \$2,300,000 remaining for 2023
- State Community Living Infrastructure grant: Possibility of \$3,300,000 available to fund Emergency Rental Assistance activities in from January 2023 through March 2024. *This funding is not guaranteed.*
- Budget Carry-Over: \$1,300,000 available, previously authorized for homelessness prevention activities and not spent due to availability of federal funds.

Proposed allocation of these funds is included in the “funding available” column of the plan detailed on the next page. Additional scenarios are included that describe what services could be delivered if full funding wasn’t available.

Scenario 1: Proposal for 2023-2024 Budget (Recommended)

2023

Activity	Cost (Year 1)	Funding	FTEs*
Housing Clinic	\$445,000	Local Homeless Prevention Aid: \$39,000 Federal ERA: \$320,000 Budget Carry-Over: \$86,000 TOTAL: \$445,000	0
Emergency Rental Assistance	\$4,282,000	Federal ERA: \$1,977,000 <i>State CLI Grant: \$2,175,000</i> Budget Carry-Over: \$130,000 TOTAL: \$4,282,000	6 - 7
Flexible Prevention Services	\$800,000	Local Homeless Prevention Aid: \$405,000 Budget Carry-Over: \$395,000 TOTAL: \$800,000	2
TOTAL	\$5,527,000	\$5,527,000	8 - 9

Scenario 1, Cont'd: Proposal for 2023-2024 Budget (Recommended)

2024

Activity	Cost (Year 2)	Funding	FTEs*
Housing Clinic	\$399,000	Local Homeless Prevention Aid: \$195,000 Federal ERA: \$0 Budget Carry-Over: \$204,000 TOTAL: \$399,000	0
Emergency Rental Assistance	\$1,125,000	Federal ERA: \$0 <i>State CLI Grant: \$1,125,000</i> Budget Carry-Over: \$0 TOTAL: \$1,125,000	5
Flexible Prevention Services	\$1,173,500	Local Homeless Prevention Aid: \$691,500 Budget Carry-Over: \$482,000 TOTAL: \$1,173,500	2
TOTAL	\$2,697,500	\$2,697,500	7

*Social Services currently has position authority for up to 10 FTEs to support homelessness prevention activities authorized in the 2022 budget. This proposal would continue up to 9 of the previously authorized 10 FTEs through 2023 and scale back the complement to 7 FTEs in 2024 unless the Board later decides to continue funding the Emergency Rental Assistance program at a higher level in 2024.

Alternate Scenarios

Scenario 2: Dakota County does not receive State CLI Grant

2023

Activity	Cost (Year 1)	Funding	FTEs*	Change from Recommendation
Housing Clinic	\$445,000	Local Homeless Prevention Aid: \$39,000 Federal ERA: \$320,000 Budget Carry-Over: \$86,000 TOTAL: \$445,000	0	<i>No change</i>
Emergency Rental Assistance	\$2,272,000	Federal ERA: \$1,979,000 Budget Carry-Over: \$293,000 TOTAL: \$2,272,000	0-7	<i>ERA program runs through June</i> <i>Serve 360 fewer households</i>
Flexible Prevention Services	\$781,000	Local Homeless Prevention Aid: \$404,000 Budget Carry-Over: \$377,000 TOTAL: \$781,000	2	<i>Reduce program size</i> <i>Serve 21 fewer households</i>
TOTAL	\$3,498,000	\$3,498,000	2 – 9*	<i>Same number of FTEs through June</i> <i>*Reduced to 2 FTEs starting in July</i>

Scenario 2, Cont'd: Dakota County does not receive State CLI Grant

2024

Activity	Cost (Year 2)	Funding	FTEs*	Change from Recommendation
Housing Clinic	\$269,000	Local Homeless Prevention Aid: \$135,000 Budget Carry-Over: \$134,000 TOTAL: \$269,000	0	<i>Reduce program size to 75%</i> <i>Serve 375 fewer households</i> <i>No funding for legal assistance or data collection</i>
Flexible Prevention Services	\$1,156,000	Local Homeless Prevention Aid: \$750,000 Budget Carry-Over: \$406,000 TOTAL: \$1,156,000	2	<i>Reduce program size</i> <i>(serve 21 fewer households)</i>
TOTAL	\$1,425,000	\$1,425,000	2	<i>Fewer FTEs in 2024 due to ending of ERA program</i>

Scenario 3: Dakota County does not receive State CLI Grant and no carry-over funds are available**

2023

Activity	Cost (Year 1)	Funding	FTEs*	Change from Recommendation
Housing Clinic	\$359,000	Local Homeless Prevention Aid: \$38,000 Federal ERA: \$321,000 TOTAL: \$359,000	0	<i>No funding for legal assistance or data collection</i>
Emergency Rental Assistance	\$2,090,000	Local Homeless Prevention Aid: \$113,000 Federal ERA: \$1,977,000 TOTAL: \$2,090,000	6 - 7	<i>ERA program runs through June</i> <i>Serve 360 fewer households</i>
Flexible Prevention Services	\$287,500	Local Homeless Prevention Aid: \$287,500 TOTAL: \$287,500	0	<i>Reduce program size</i> <i>Serve 720 fewer households</i> <i>Limit services to families and youth</i>
TOTAL	\$2,736,500	\$2,736,500	0-7*	<i>Same number of FTEs through June</i> <i>*Reduced to 0 FTEs starting in July</i>

Scenario 3, Cont'd: Dakota County does not receive State CLI Grant and no carry-over funds are available**

2024

Activity	Cost (Year 1)	Funding	FTEs*	Change from Recommendation
Housing Clinic	\$305,385	Local Homeless Prevention Aid: \$305,385 TOTAL: \$305,385	0	<i>Reduce program size to 75%</i> <i>Serve 375 fewer households</i> <i>Limit services to families and youth</i> <i>No funding for legal assistance or data collection</i>
Flexible Prevention Services	\$575,000	Local Homeless Prevention Aid: \$575,000 TOTAL: \$575,000	0	<i>Reduce program size</i> <i>Serve 1,440 fewer households</i> <i>Limit services to families and youth</i>
TOTAL	\$880,385	\$880,385	0	<i>No FTEs in 2024 due to ending of ERA program</i>

** Scenario 3 would severely limit ability to provide homelessness prevention services to populations other than families with school aged children and youth age 24 and younger, since the Local Homeless Prevention Aid is designated for that population. Once federal Emergency Rental Assistance funds are expended in mid-2023, all services would focus exclusively on families and youth, excluding single adults, older adults, etc.